

COMMUNITY AFFAIRS COMMITTEE

DATE: April 11, 2006

CALLED TO ORDER: 5:04 p.m.

ADJOURNED: 7:21 p.m.

ATTENDANCE

ATTENDING MEMBERS

Greg Bowes, Chair

Patrice Abdullah

Rozelle Boyd

Ginny Cain

Susie Day

Joanne Sanders

ABSENT

James Bradford

AGENDA

Quarterly Presentation from the Marion County Office of Family and Children

Dan Carmin, Director

The Honorable Marilyn Moores, Juvenile Court Judge

PROPOSAL NO. 169, 2006 - approves the issuance of Marion County, Indiana, Family and Children Fund General Obligation Notes, Series 2006, in an original aggregate principal amount not to exceed \$32,250,000 and appropriating the proceeds of the borrowing

"Postponed"

Vote: 6-0

Community Affairs Committee

The Community Affairs Committee of the City-County Council met on Tuesday, April 11, 2006. Chair Greg Bowes called the meeting to order at 5:04 p.m. with the following members present: Patrice Abdullah, Rozelle Boyd, Ginny Cain, Susie Day and Joanne Sanders. Absent was James Bradford.

Quarterly Presentation from the Marion County Office of Family and Children

Dan Carmin, Director

The Honorable Marilyn Moores, Juvenile Court Judge

Chair Bowes expressed frustration over problems with the Marion County Office of Family and Children (OFC). He stated that there are issues between County and Local government and the State government over who should bear the cost of providing for our children who are in need of services and how we manage those services. He said questions exist as to who is in charge of what, how much is paid, where are the funds being spent and what programs are being used to fix those problems. He said under the current law, the County government writes the checks, but the State is in charge of the case managers who supervise the placements, treatments, and the outcome. He also added that there was a long, tough battle last year trying to get a handle on the increasing costs to provide for the children. Chair Bowes added that he is disappointed the state legislature has left the burden of increasing budgets in the hands of the County, and we are forced to take a hit and increase taxes anytime those children are in need, and the County doesn't have a say on how those services are provided or who is in charge of them and who manages them.

Dan Carmin, Director, Marion County Office of Family and Children, distributed a packet with information on the budget and services provided by OFC.

{Clerk's Note: This packet, Exhibit A, is on file in the Clerk's office.}

Mr. Carmin explained that in 2003, OFC ended the year with a surplus of \$5.2 million. It was applied to the 2004 tax levy to lower property taxes that were raised in order to fund the program. In 2004, the Children's Psychiatric Fund was established which caused \$2.3 million to be withdrawn from the OFC budget for that program. Mr. Carmin also added that when Senate Bill One passed and became effective in July 2004, the 2005 budget was affected causing the budget to be frozen at the 2004 amount with only a slight opening for an increase. Mr. Carmin explained that because the levy was already reduced, the only option was to ask for an excess levy or borrow the funds to cover the shortfall. It became necessary to require a short-term loan in the amount of \$15 million to make up the difference for last year. He also stated that the increasing number of children that came into the system, and the psychiatric fund that was implemented, are the two factors that brings it where it is today.

Councillor Sanders asked if the \$2.3 million for the psychiatric fund was mandated by the state. Mr. Carmin answered in the affirmative. Chair Bowes asked why there was a shortfall from what was requested last year. Mr. Carmin stated that the loan amount was calculated in the spring of 2005, and OFC underestimated the number of children that would be coming into the system.

Councillor Sanders asked why the total expenditures for 2005 show an excess of \$1.5 million when it is reported that \$6.2 million in claims were carried over to 2005. Mr. Carmin stated that the \$1.5 million would be funds that are not normally deposited with the County and the \$6.2 million is not reflected in the 2005 expenditures, because it was paid in 2006. Councillor Sanders asked what funds were used for the \$1.5 million, and asked if there is some way of getting a better grip on what the County budget and expenses actually are, since the line items used on this particular spreadsheet are not even close to the line items reported in the County budget. Mr. Carmin stated that it was state funds used and expressed that there will be a better way of reporting the line items in the future.

Marilyn Moores, Juvenile Court Judge, went on with the presentation to talk about some of the good things that are happening between DCS and the courts. Some of the key points were as follows:

- Early Intervention Planning Council
- Implementation of Regional Service Council
- Paternity testing at Juvenile Court
- Mental Health services and screenings for youth in Juvenile detention
- Reductions in CHINS review hearings

Councillor Abdullah asked what the overall objective of the Regional Service Council will be. He also asked if money will be saved, if the will City prosper more, and if OFC will be using foster parents' input. Mr. Carmin stated that the purpose of the council is to assess the service needs of families and children in Marion County and identify potential providers, assess their information, establish contracts and negotiate rates to get the best services for the families. He also stated that this is a great forum to hear from those families and there is nothing that prohibits OFC from asking them to come and speak. Councillor Sanders asked how the choice of the foster parents was made for the Regional Council. Mr. Carmin stated that OFC solicited some requests to foster parents who might be interested in serving on the Council.

Mr. Carmin continued with the presentation stating that there is a practice model that will change the way OFC will work with the families. The foundation for the model is vision and mission, which states that children thrive in safe, caring and supportive families and communities. Every staff member will use the skills of engaging, teaming, assessing, planning and intervening to partner with the families to achieve better outcomes. Councillor Sanders asked if there were any guidelines to assist the case managers to assess themselves as they make decisions for care. Rhonda Allen, Deputy Director of OFC, stated that there are no established guidelines at this time, because the project just got started and it is in the early stages. Councillor Abdullah asked if there is any possible way for the parents to be trained or helped. Judge Moores stated that there is a way to help the parents with services and coordinate with a safety plan so that the child can stay in the home.

Councillor Boyd asked what research models are in place. Judge Moores stated that the model is a hybrid of one that has been done in California and Utah. There is pre-existing data, information and technology sharing and experience with this model. Mr. Carmin stated that it is vital that the community gets involved. There is training available for the different community agencies and our providers. Councillor Abdullah asked what plan is in action for public relations (PR) and how will the word get out. Judge Moores stated that when the project is up and running, there will be quarterly newsletters going out to service providers, faith based providers and community centers.

Chair Bowes asked Judge Moores to explain the paternity testing at the juvenile courts. Judge Moores stated that from the end of December 2005 through today, all CHINS cases are required to go through testing right at the court and the results are available at the next court date. The turnaround is fast and the cost is inexpensive. Mr. Carmin went on to say that the DCS clerks are located at the courts to maximize reimbursements, meaning that financial information is needed from the parents to best determine how they can become eligible for services, and the best way to do that is by catching them at court.

Councillor Boyd asked Judge Moores to explain the issue with Probation Officers located in the schools. She stated that it was piloted previously, because it helps parents with accompanying the children to probation visits. Most of the IPS high schools and some of the middle schools have probation officers in the schools and it has been heavily favored.

Councillor Sanders asked if there was a breakdown of the number of institutions within Marion County for both the children and facilities. Mr. Carmin stated that there is a breakdown of the number of institutions included in the presentation.

Chair Bowes stated that the community should know why there is a big increase and the reasons why it is important to spend the money.

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Barbara Lawrence, Executive Director of the Indianapolis Bond Bank, reviewed a Powerpoint presentation in detail, which is attached as Exhibit A. Some key points of the presentation were as follows:

- What It Is
- Legislative Changes
- 2005 Borrowing
- 2006 Borrowing
- Tax Impact Estimates
- Process

Councillor Sanders stated that the 2005 budget for Office of Family and Children (OFC) is approved for \$63.9 million and Ms. Lawrence is using the figure of \$62 million. Ms. Lawrence responded that the numbers being presented were generalized and did not reflect the exact Council appropriations for the 2005 budget. Robert Clifford, City Controller, stated that the difference between the \$62 and \$63.9 million is partially the State funding. This (\$63.9 million) is their entire budget and Ms. Lawrence is referring to what has been appropriated (\$62 million).

Ms. Lawrence stated that Proposal No. 169 allows borrowing up to \$32.25 million based on a projected shortfall of \$29.5 million and costs associated with financing and interest expenses. She apologized for using a shortfall figure of \$29.5 million, and had only learned recently that the Office of Family and Children had received certification of a \$32 million shortfall from the Department of Children's Services. She stated that with the \$29.5 million, \$850,000 in other fees, plus the \$2.5 million difference, we are roughly at \$ 32.85 million. When we add on interest expenses of \$ 2 million, the total will be at \$34 or \$35 million. Ms. Lawrence stated that these are rough numbers, and she would have to go back and make sure they are right.

Ms. Lawrence stated that as of now there has to be a public hearing on this issue at the April 17, 2006 Council meeting. The proposal cannot be amended right now and still have a public hearing on April 17, because of the statutes on advertising. She also stated that there could certainly be an amendment to authorize a higher borrowing at the next committee meeting. Ms. Lawrence stated that there are other steps that need to be made certain: Council and Bond Bank approval and looking for the best options for financing.

Councillor Sanders asked if there were draw schedules based on expenses or if OFC will draw the entire amount once it is approved. Ms. Lawrence stated that she would recommend that we keep the proceeds at the Bond Bank level, because they can invest more aggressively which helps us reduce the costs of borrowing.

Ms. Lawrence went on to discuss the Debt Service Tax Rate portion of the presentation which states that the projected tax rate for borrowing \$32.25 million was about \$0.0834 per \$100 of Assessed Value. She explained that the rate will be different if the borrowed amount changes. Ms. Lawrence stated that the process that needs to be completed for the OFC Fund consists of Council consideration and approval of the borrowing, determining the best financing method, loan closing and working with the DLGF to implement a tax rate to support the borrowing.

Chair Bowes asked if there were any questions from the committee and entertained a motion to postpone Proposal No. 169, 2006.

Councillor Sanders moved, seconded by Councillor Cain, to "Postpone" Proposal No. 169, 2006. The motion carried by a 6-0 vote.

With no further business pending, and upon motion duly made, the Community Affairs Committee of the City County Council was adjourned at 7:21 p.m.

Respectfully submitted,

Greg Bowes, Chair
Community Affairs Committee

GB/lw